

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 1118 - HB 1387

March 11, 2021

SUMMARY OF BILL: Creates a new cultural military license plate for the United States Army Rangers.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – The Department of Revenue will retain approximately \$330 from the sale of every 100 cultural license plates in FY21-22 to compensate TRICOR for production, warehousing, and distribution costs incurred by TRICOR. TRICOR will receive \$50 in net revenue for every 100 cultural plates produced in FY21-22.

Assumptions:

- Military cultural license plates are not subject to any minimum order requirements.
- Under the provisions of this legislation, there will be one additional military cultural license plate issued.
- Pursuant to Tenn. Code Ann § 55-4-203(c)(1), military cultural license plates are issued upon the payment of the regular registration fee and a fee equal to the cost of actually designing and manufacturing the plates.
- It is assumed 100 Army Ranger plates will be purchased.
- The Department of Revenue (DOR) will retain \$330 from the sale of every 100 cultural license plates in FY21-22 to compensate TRICOR for production, warehousing, and distribution costs incurred by TRICOR. The total amount the DOR will retain and remit to TRICOR in FY21-22 is estimated to be \$330.
- TRICOR's actual cost to produce, warehouse, and distribute these specialty license plates is estimated to be \$2.80 per license plate, resulting in \$0.50 net revenue per plate.
- TRICOR will receive \$50 in net revenue for every 100 cultural license plates produced. The total net revenue to TRICOR in FY21-22 is estimated to be \$50.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Bojan Savic". The signature is written in a cursive style with a large, stylized 'B' and 'S'.

Bojan Savic, Interim Executive Director

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